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5 April 1950

MEMORANDUM FOR THE DIRECTOR

SUBJECT: Possible Intelligence Requirements of Mr. Gordon Gray

1. Herewith is the published text of the President's letter of 31 March 1950 to Mr. Gordon Gray, asking him to do a job of economic planning as Special Assistant to the President. The published text of Mr. Gray's reply is also attached.

2. Since it appears from these letters that Mr. Gray is intended to accomplish a great deal in a very short time, it is apparent that any assistance that can be extended to him should prove very useful. Yet he may well not be aware of the help that CIA can provide. Putting this thought another way, Mr. Gray may produce results actually adverse to the national security if he attempts to do his work without adequate intelligence guidance, or with the benefit only of such bits and pieces as he can glean from ECA, Commerce, and so forth.

3. Obviously his first requirement is a national intelligence estimate, giving the implications to U. S. national security of the "dollar-gap," country by country. After that, his requirements may be more detailed, and the work CRE has been doing lately in response to the NSRB request for intelligence support may be turned to Mr. Gray's benefit in this respect.

4. This is a case where CIA has the opportunity "to get in on the ground floor" in the formulation of national policy, as opposed to the usual case where intelligence support is requested after the basic decisions are already made. Any use which Mr. Gray would make of this Agency in this instance would certainly help to establish a precedent

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favorable to CIA with regard both to the early use of intelligence support in national policy planning and in establishing CIA as the pivotal authority in the field of economic intelligence.

5. Recommendation: It is recommended that you send the enclosed letter to Mr. Gray, or mention the substance thereof to him. The AD/CRE concurs.

Enclosures:

1. Text of Truman-Gray Letters on World Trade
2. Proposed Letter to Mr. Gray

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